The total amount of subsidy on indigenous urea paid to the fertilizer companies during the last two years is as follows:

Period	Amount of subsidy paid to indigenous urea manufacturing units (Rs. in crores)
1998-99	7473.00
1999-2000	8670.00

(b) Keeping in tune with the policy of economic liberalisation and reforms, all other fertilizers except urea have already been freed from price, movement and distribution control. The Government intends to move towards a de-regulatory regime in fertilizer sector in a phased manner after taking into account its fiscal capacity on the one hand and simultaneously making available fertilizers to the farmers at a reasonable price.

White paper on sick fertilizer units

1412. SHRI RAMDAS AGARWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to publish a WHITE PAPER on sick fertilizer units, simultaneously announcing a policy on 'brownfield' projects for the private sector, as reported in the Hindustan Times dated 18th July, 2000;

(b) what are the details thereof, indicating Government's policy in clear terms, on "Indian Fertilizers Industry-vision for this new millennium"; and

(c) what is the possibility of setting up joint ventures pertaining to fertilizer projects, preferably close to site of natural gas, as proposed by a high-powered Committee set up by Government?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) A Seminar entitled "Indian Fertilizer Industry—Vision for the New Millenium" was organised in New Delhi on July 17, 2000 to discuss the draft outline of long-term fertilizer policy which, *inter*

alia, includes policy for setting up of joint ventures abroad in the fertilizer sector. The issue relating to revival/restructuring of sick fertilizer units and the likely possibility of setting up of brownfield projects by the private sector at the existing sites of sick fertilizer units and preparation of a well defined policy note thereon is under consideration of the Government. Government's recognition of the need to set up ammonia urea projects in countries having abundant reserves of natural gas is evident from the clearance of Oman India Fertilizer Project which was accorded by the Government on 20.6.2000.

Reduction in cost of production of fertilizers

†1413. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have explored the possibilities to reduce the expenditures on production of urea fertilizers in public and private sectors;

(b) if so, the percentage of reduction likely to be effected in the present production cost of fertilizers; and

(c) if the answer to part (a) above be in the negative the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) Controlling the expenditure under the Retention Price-cum-Subsidy Scheme (RPS) implemented for production of urea, which is the only fertilizer under the Retention Price-cum-Subsidy Scheme, has constantly engaged the attention of the Government. Only recently Government has reduced the subsidy payment to urea manufacturers showing high capacity utilisation both in private and public sectors by an interim reassessment of capacity which has resulted in a subsidy saving of approximately Rs. 450 crore per annum. Tightening of norms and actuals that go into the computation of retention price in successive pricing periods under the Retention Price-cum-Subsidy Scheme, encouragement to units for implementing energy saving measures such as purge gas recovery (PGR) unit, etc.

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†Original notice of the question was received in Hindi.